

06 February 2015

Rainer Korte  
Executive Manager Asset Management  
Electranet  
PO Box 7096, Hutt Street Post Office  
Adelaide SA 5000

Dear Mr Korte

**Network Capability Network**

This letter is written in response to your letter dated 23 December 2014 regarding “Network Capability Proposal,” in which you sought feedback on the project proposed by Electranet. This feedback was sought by 30 January 2015; however we agreed with Simon Appleby that the BHP Billiton feedback would be provided by 6 February 2015.

The BHP Billiton feedback is as follows;

BHP Billiton notes the proposed projects and we have reviewed these projects, both of which are in the Mid North. None of the projects are in the Upper North, and they do not appear to strengthen the network in a manner that supports BHP Billiton’s demand or reflect the high level of TUOS that BHP Billiton pays. By the end of FY15, BHP Billiton will have paid \$46.3M in TUOS charges in the prior 6 year period (including GST).

BHP Billiton Olympic Dam is an important contributor to both the South Australian and national economy. Our Olympic Dam operations are reliant upon a reliable electrical power supply. The Prominent Hill Mine owned by Oz Minerals also currently connects to the network through our 275kV line.

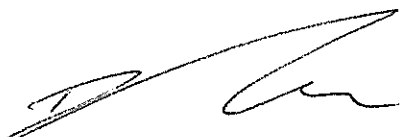
As recently as 10 April 2014 there was an outage in which the 275kV line dropped out, resulting in a total power loss our Olympic Dam operations, the township of Roxby Downs and the Prominent Hill mine.

Following this outage BHP Billiton assisted Electranet with its investigation. Nathan Potter, Network Customer Manager, Electranet, advised us “*We are also developing a project to replace these older relay units with more modern ones which have a better ability to filter transient.*”

BHP Billiton request that Electranet reconsider its capital spending plans, and re prioritise projects to better support our Olympic Dam operations to more appropriately reflect the level of TUOS charges we pay and the economic importance of this supply.

Hence we request that the older relay units referred to above be replaced immediately, along with any other "old" equipment upon which we rely. We also request that Electranet re prioritise its spending to strengthen the network in a manner which improves the reliability of our supply.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Rowlands', written in a cursive style.

**Daniel Rowlands**  
Senior Manager  
Non Process Infrastructure  
BHP Billiton Olympic Dam